

Item: _____ RESO 08-212 _____
Fiscal Impact: \$1,435,545.91
Funding Source: General Fund
Account #: 11-7582-40750-75111-0000
Budget Opening Required: ☐ Yes

ISSUE:

Reimbursement Agreement with Zions Securities Corporation for the extension of Lake Park Blvd. from Corporate Park Drive to 5400 West.

SYNOPSIS:

With this Agreement the City agrees to reimburse Zions Securities Corporation in three payments, over a two-year time span, for the City's share of design and construction costs.

BACKGROUND:

Zions Securities has extended Lake Park Blvd. between Corporate Park Drive and 5400 West to facilitate the development of the Highbury property. Lake Park Blvd. will also function as an important arterial street in the City, and is included on the City's Capital Facilities Plan. With this Agreement, Zions Securities agrees to construct the road and bear the cost of improvements necessary to access the property. Zions will also pay for amenities to the project including: water features, pedestrian bridges and enhanced landscaping. The City will pay for all improvements necessary to widen Lake Park Blvd. to function as an arterial street. The City's share of these improvements is \$1.435 million.

This Reimbursement Agreement is different from the City's standard impact fee reimbursement agreement. Because this is an important arterial street, the City agrees to reimburse Zions Securities on a defined payment schedule (Exhibit D of the Agreement), rather than an open-ended agreement contingent on the City collecting impact fees. The initial payment of \$550,000 will come from Class C road funds. Future payments will be a combination of both Class C road funds and road impact fees.

The opening of another east/west arterial in the City will be very beneficial, especially as reconstruction of 3500 South proceeds. Lake Park Blvd. is scheduled to open by August 1.

RECOMMENDATION:

Approval of the Reimbursement Agreement

SUBMITTED BY:

Russell B. Willardson, P.E., Public Works Director